

**DONELAN, CLEARY, WOOD & MASER, P.C.**

DEC 31 '97

10-55 AM

ATTORNEYS AND COUNSELORS AT LAW

SUITE 750

1100 NEW YORK AVENUE, N.W.

WASHINGTON, D.C. 20005-3934

OFFICE: (202) 371-9500

TELECOPIER: (202) 871-0900

December 31, 1997Recordation No. 21092 -A

Dear Mr. Williams:

On behalf of NationsBanc Leasing Corporation of North Carolina, I submit for filing and recording under 49 U.S.C. § 11301(a) and the regulations applicable thereunder, executed counterparts of a secondary document, not previously recorded, entitled Amended and Restated Memorandum of Security Agreement - Chattel Mortgage ("Amendment") made and entered into as of December 31, 1997.

The parties to the enclosed Amendment are:

NationsBanc Leasing Corporation (successor  
by merger to NationsBanc Leasing Corporation  
of North Carolina)  
101 South Tryon Street  
Charlotte, NC 28255

-SECURED PARTY/for Indexing  
MORTGAGEE

Flex Leasing Corporation  
Suite 300  
234 Front Street  
San Francisco, CA 94111

-BORROWER/for Indexing  
MORTGAGOR

The said Amendment, among other things, grants a security interest by the Borrower to the Secured Party in the equipment covered in Schedule A to the Amendment, attached hereto, and the leases of the said equipment described in Schedule B to the Amendment. The Amendment restates the equipment and leases covered as collateral under Recordation No. 21092 and the equipment and lease thereafter added as collateral and should be recorded under the next available letter under Recordation No. 21092, which letter we believe is "-A."

The equipment covered by the instant Amendment is as identified in Schedule A.

A short summary of the Amendment to appear in the Surface Transportation Board Index is as follows:

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
DEC 31 10 55 AM '97*Counterparts - A. H. Hammer*

Vernon A. Williams  
December 31, 1997  
Page 2

“Covers the units of equipment as listed in Schedule A and the leases thereof as listed in Schedule B to the Amended and Restated Memorandum of Security Agreement - Chattel Mortgage.”

Please enter under this Recordation No. the following cross index reference:

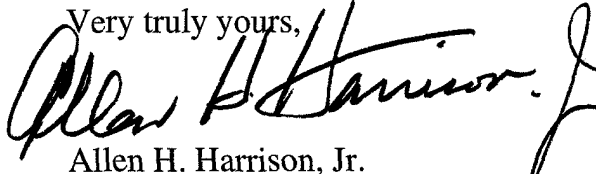
“See Recordation Nos. 21 125.”

Please index separately the name NationsBanc Leasing Corporation in the mortgagee side of the Surface Transportation Board Index (white pages), saying: “See Recordation No. 21092 -A.”

Enclosed are checks in the amount of seventy-two dollars, twenty-four dollars of which is in payment of the filing fee, and forty-eight of which is for each of the two requested extra indexings.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter/fee receipt from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,



Allen H. Harrison, Jr.  
Attorney for NationsBanc Leasing  
Corporation, for  
the purpose of this filing.

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

*Enclosures*

BY HAND

8357-020

Schedule A

SCHEDULE OF EQUIPMENT

EQUIPMENT TYPE	NUMBER OF CARS	CAR MARKS
73' Center-beam Flat Railcars	25	CRLE 7575 - CRLE 7599
3250 Lined Cover Hopper Railcars	35	FLOX 3200 - FLOX 3234
50'6" plate F Boxcars	175	LW 9000 - LW 9174
3250 Lined Covered Hopper Railcars	7	FLOX 3235 - FLOX 3241
6245 Plastic Pellet Covered Hopper Railcars	125	FLOX 62100 - FLOX 62224
Rapid Discharge Coal Railcars	200	FLCX300-FLCX499
73' Centerbeam Flatcars	100	CORP93000-CORP9399

SURFACE TRANSPORTATION BOARD  
WASHINGTON, D. C. 20423-0001

OFFICE OF THE SECRETARY

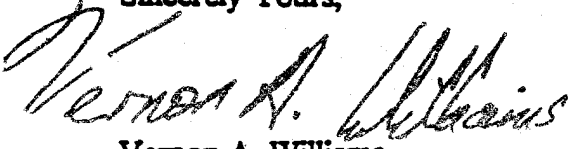
Allen H. Harrison, Jr.  
Donelan, Cleary, Wood & Maser, PC  
1100 New York Avenue, NW, Ste. 750  
Washington, DC, 20005-3934

DATE: 12/31/97

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301  
and 49 CFR 1177.3 (c), on 12/31/97 at 10:55AM, and  
assigned recordation number(s). 21092-A(1 cross-index)

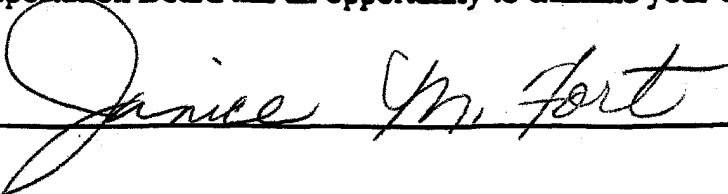
Sincerely Yours,

  
Vernon A. Williams  
Secretary

Enclosure(s)

\$ 48.00 The amount indicated at the left has been received in payment of a fee in  
connection with a document filed on the date shown. This receipt is issued for the amount paid.  
In the event of an error or any questions concerning this fee, you will receive a notification after  
the Surface Transportation Board has an opportunity to examine your document.

Signature



21092-A

RECORDATION NO. 21092-A FILED

DEC 31 '97

10-55 AM

**AMENDED AND RESTATED  
MEMORANDUM OF SECURITY AGREEMENT - CHATTEL MORTGAGE**

**BETWEEN**

**NATIONSBANC LEASING CORPORATION (SUCCESSOR BY MERGER  
TO NATIONSBANC LEASING CORPORATION OF  
NORTH CAROLINA)  
("SECURED PARTY")**

**AND**

**FLEX LEASING CORPORATION  
("BORROWER")**

December 31, 1997

This Amended and Restated Memorandum of Security Agreement-Chattel Mortgage, made and entered into as of December 31, 1997, by and between NationsBanc Leasing Corporation (successor by merger to NationsBanc Leasing Corporation of North Carolina), a North Carolina corporation ("Secured Party"), and Flex Leasing Corporation, a Delaware corporation ("Borrower") amends and restates that certain Memorandum of Security Agreement-Chattel Mortgage, Recordation No. 21092, between Secured Party and Borrower in its entirety as follows:

Memorandum of Security Agreement-Chattel Mortgage made and entered into as of December 19, 1997, by and between NationsBanc Leasing Corporation, a North Carolina corporation ("Secured Party"), having its chief executive office at 101 South Tryon Street, NC1-002-38-20, Charlotte, North Carolina 28255, and Flex Leasing Corporation, a Delaware corporation ("Borrower"), having its chief executive office at 234 Front Street, Suite 300, San Francisco, California 94111.

**W I T N E S S E T H:**

To secure all obligations of the Borrower under a certain Loan Agreement and certain Secured Promissory Notes, Borrower hereby assigns to Secured Party all of Borrower's rights, title and interests, and grants to Secured Party a first priority security interest, in the railcars only as described on Schedule A hereto, whether now existing or hereafter arising, together with all improvements, replacements, substitutions accessories and additions thereto, plus those certain lease agreements more fully described on Schedule B hereto regarding the above railcars; and all accounts, contracts, contract rights, documents and instruments related to said leases and the railcars.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by there respective corporate officers as of the date and year first above written.

NATIONSBANC LEASING CORPORATION

By: Herbert T. Thureau

Name: HERBERT T. THURAU  
SENIOR VICE PRESIDENT

Title: \_\_\_\_\_

FLEX LEASING CORPORATION

By: D.P. Hayes

Name: D.P. HAYES

Title: President

STATE OF NORTH CAROLINA )  
 ) ss.  
COUNTY OF MECKLENBURG )

On this 26 day of December, 1997, before me personally appeared Herbert T. Thureau, to me personally known, who being by me duly sworn, says that he is the Senior Vice President of NationsBanc Leasing Corporation that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Carmen Suzanne Olive  
NOTARY PUBLIC

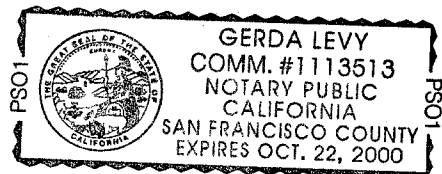
My commission expires: \_\_\_\_\_ My Commission Expires: Sept. 22, 1999

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF SAN FRANCISCO )

On this 23 day of December, 1997, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn, says that he is the President of Flex Leasing Corporation that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Gerda Levy  
NOTARY PUBLIC

My commission expires: Oct 22, 2000





Schedule A

SCHEDULE OF EQUIPMENT

EQUIPMENT TYPE	NUMBER OF CARS	CAR MARKS
73' Center-beam Flat Railcars	25	CRLE 7575 - CRLE 7599
3250 Lined Cover Hopper Railcars	35	FLOX 3200 - FLOX 3234
50'6" plate F Boxcars	175	LW 9000 - LW 9174
3250 Lined Covered Hopper Railcars	7	FLOX 3235 - FLOX 3241
6245 Plastic Pellet Covered Hopper Railcars	125	FLOX 62100 - FLOX 62224
Rapid Discharge Coal Railcars	200	FLCX300-FLCX499
73' Centerbeam Flatcars	100	CORP93000-CORP9399

## SCHEDULE B

### Lease Agreements

1. Lease Agreement dated as of December 5, 1996 by and between Greenbrier Leasing Corporation ("Greenbrier") and Cascade Warehouse Company, Inc. ("Cascade") and Schedule No. I dated as of December 5, 1996 by and between Greenbrier and Cascade and assigned to Flex Leasing Corporation ("Lessor") pursuant to the Assignment of Lease Agreement dated as of January 31, 1997 by and between Greenbrier Lessor.
2. Master Car Lease Agreement dated as of April 1, 1997 by and between Lessor and Cooper Natural Resources, Inc. ("Cooper"), Schedule No. 1 to Master Car Lease Agreement dated as of April 1, 1997 between Lessor and Cooper and Schedule No. 2 to Master Car Lease Agreement dated as of April 1, 1997 between Lessor and Cooper.
3. Master Car Lease Agreement dated as of July 3, 1997 by and between Lessor and Springfield Terminal Railway Co. ("Springfield") and Schedule No. 01 to Master Car Lease Agreement dated as of July 3, 1997 between Lessor and Springfield.
4. Master Car Lease Agreement dated as of June 1, 1997 by and between Lessor and Saskatchewan Minerals, a division of Goldcorp Inc. ("Saskatchewan") and Schedule No. 01 to Master Car Lease Agreement dated as of June 1, 1997 between Lessor and Saskatchewan.
5. Master Car Lease Agreement dated as of August 27, 1997 by and between Lessor and Fina Oil and Chemical Company ("Fina") and Schedule No. 01 to Master Car Lease Agreement dated as of August 27, 1997 between Lessor and Fina.
6. Master Car Lease Agreement dated as of December 17, 1997 by and between Lessor and Carolina Power & Light Company ("CP&L"), Schedule No. 01 to Master Car Lease Agreement dated as of December 17, 1997 between Lessor and CP&L and Schedule No. 02 to Master Car Lease Agreement dated as of December 17, 1997 between Lessor and CP&L.
7. Master Car Lease Agreement dated as of October 6, 1997 by and between Lessor and Railtex, Inc. ("Railtex") and Schedule No. 01 to Master Car Lease Agreement dated as of October 6, 1997 between Lessor and Railtex.